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## **Three Levels of Diversity: An Examination of the Complex Relationship Between Diversity, Group Cohesiveness, Sexual Harassment, Group Performance, and Time**

by

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# **Three Levels of Diversity: An Examination of the Complex Relationship Between Diversity, Group Cohesiveness, Sexual Harassment, Group Performance, and Time**

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## **ABSTRACT**

This paper puts forth a typology for classifying different types of diversity variables. Using the dimensions of “observability” and “measurability,” a four cell classification scheme is created, and three levels of diversity variables are identified: surface, working, and deep level diversity. The author explains the nature of the relationship between the three levels of diversity and posits a general model of organizational behavior including diversity, group cohesiveness, group performance, sexual harassment, and time.

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**Opinions expressed in this report are those of the author and should not be construed to represent the official position of DEOMI, the military Services, or the Department of Defense**



## INTRODUCTION

*Workforce 2000* (Johnston & Packer, 1987) put the spotlight on the changing demographic character of the American workforce. This report popularized the slowly emerging idea that the basic character of the labor pool in the United States is changing from the white male dominated resource that it had always been, to a more feminine and more variegated well spring. It was predicted that by the year 2000 the workforce would be 47 percent women (Johnston & Packer, 1987). Further, it was stated that between 1985 and 2000 non-whites would comprise 29 percent of the net additions to the workforce (Johnston & Packer, 1987).

*Workforce 2020* (Richard & D'Amico, 1997), the sequel to *Workforce 2000*, projects the continued diversification of America. The authors report that, according to Census Bureau projections, for year 2020: white non-Hispanics will comprise only 68 percent of the American labor force; Hispanics will increase their representation in the workforce from 9 percent in 1995 to 14 percent in 2020; and, Asians will be the most rapidly growing minority group increasing their representation in the labor force to 6.5 percent in 2020 from 1.6 percent in the 1980s (Richard & D'Amico, 1997).

The active-duty military, of course, can expect to experience the same evolution of its demographic makeup as that experienced in the nation that it defends. An examination of the demographic profile of the active duty military for the years 1987 to 1997 affirms this (see Tables 1a, 1b and 1c). For all active-duty military personnel across all services the proportion of all race/ethnic minority groups has increased from 27.3 percent in 1987 to 32.3 percent in 1997, a net increase of 18.3 percent over the ten-year period. For women in the active-duty forces the increase was from 10.2 percent to 13.7 percent, a net increase of 34.3 percent for the same ten years. As in the general population, the fast growing race/ethnic groups in the active-duty forces are Hispanics and Asian Americans. Hispanics have realized a net change in their proportional representation of 74.4 percent, from 3.9 percent of the total in 1987 to 6.8 percent in 1997. Asian American representation changed from 2.2 percent in 1987 to 3.2 percent in 1997, a 45.5 percent increase. However, within the officer ranks, Asian American representation increased from 1.3 percent to 2.5 percent, a 92.5 percent increase in ten years! While the numbers are still small, the rates of change are significant. Indeed, the military does contain an increasingly culturally diverse membership.

Today, most would agree that diversity can no longer be thought of as simply a defensive action against potential charges of discrimination towards a minority group. This change is explained by the realization by interested parties of three facts:

1. The labor pool today is becoming more and more diverse.
2. Business is becoming globalized necessitating the diversification of global organizations.
3. Diversity is an important organizational dynamic which needs to be understood.

The purpose of this paper is to examine the diversity concept and to develop a comprehensive and practical operationalization of the concept. Further, this paper will examine the relationship of diversity to important organizational outcomes such as work group performance and sexual harassment.

## **Tables 1a, 1b, & 1c**

### **Demographic Distribution within the Military**

**Table 1a**

#### **DEMOGRAPHIC DISTRIBUTION OF ACTIVE DUTY FORCES- ALL RANKS (% OF TOTAL)**

YEAR	TOTAL (1000's)	WOMEN	BLACK	HISPANIC	NATIVE AMERICAN	ASIAN AMERICAN	OTHER
1987	2139.5	10.2	19.3	3.9	0.6	2.2	1.3
1988	2123.7	10.4	19.8	4.1	0.6	2.3	1.3
1989	2138.5	10.7	19.9	4.3	0.6	2.3	1.3
1990	2065.6	10.9	20.5	4.6	0.6	2.4	1.2
1991	2008.4	10.9	20.3	4.8	0.6	2.4	1.3
1992	1831.6	11.4	19.8	5.0	0.6	2.6	1.3
1993	1730.5	11.7	19.4	5.3	0.6	2.7	1.4
1994	1633.0	12.1	19.2	5.4	0.6	2.8	1.5
1995	1540.8	12.6	19.3	5.8	0.6	2.9	1.6
1996	1457.6	13.2	19.6	6.3	0.6	3.0	1.7
1997	1425.5	13.7	19.8	6.8	0.7	3.2	1.8

**TABLE 1b**

#### **DEMOGRAPHIC DISTRIBUTION OF ACTIVE DUTY FORCES- -ENLISTED (% OF TOTAL)**

YEAR	TOTAL (1000's)	WOMEN	BLACK	HISPANIC	NATIVE AMERICAN	ASIAN AMERICAN	HER
1987	1826.3	10.2	21.4	4.2	0.6	2.3	1.3
1988	1818.7	10.4	22.0	4.5	0.6	2.4	1.3
1989	1825.2	10.7	22.1	4.7	0.7	2.4	1.3
1990	1761.9	10.9	22.9	5.0	0.7	2.5	1.3
1991	1710.5	10.8	22.6	5.2	0.7	2.6	1.3
1992	1550.7	11.3	22.0	5.5	0.7	2.7	1.4
1993	1466.1	11.5	21.6	5.8	0.7	2.8	1.4
1994	1379.8	12.0	21.4	6.0	0.6	2.9	1.5
1995	1295.5	12.5	21.5	6.4	0.7	3.0	1.6
1996	1224.9	13.2	21.8	6.9	0.7	3.2	1.7
1997	1197.9	13.7	22.1	7.5	0.7	3.3	1.8

**TABLE 1c**

**DEMOGRAPHIC DISTRIBUTION OF ACTIVE DUTY FORCES-  
OFFICERS (% of Total)**

YEAR	TOTAL (1000's)	WOMEN	BLACK	HISPANIC	NATIVE AMERICAN	ASIAN AMERICAN	OTHER
1987	313.3	10.3	6.5	1.7	0.4	1.3	1.3
1988	304.9	10.7	6.7	1.8	0.4	1.4	1.2
1989	313.3	10.8	6.7	1.9	0.4	1.5	1.2
1990	303.7	11.4	6.9	2.1	0.4	1.7	1.1
1991	297.9	11.7	7.1	2.2	0.4	1.8	1.2
1992	280.9	12.0	7.2	2.3	0.4	1.9	1.3
1993	264.4	12.4	7.1	1.7	0.4	2.0	1.4
1994	253.3	12.8	7.3	2.6	0.4	2.1	1.5
1995	245.4	13.0	7.5	2.8	0.4	2.3	1.6
1996	232.7	13.4	7.8	3.0	0.5	2.4	1.7
1997	227.6	13.6	8.0	3.2	0.5	2.5	1.7

**Note:** These data were gathered from the *Semi-Annual Race/Ethnic/Gender Profiles of the Department of Defense Forces, (Active and Reserve), the United States Coast Guard, and Department of Defense Civilians 1987-1997* prepared by the Research Directorate, Defense Equal Opportunity Management Institute, 740 O'Malley Road, Patrick AFB, Florida 32925-3399.

### **DIVERSITY DEFINED IN THE LITERATURE**

While interest in workforce diversity has spanned some 30 years in the literature, an employer's interest in the topic was largely dictated by the federal government. Only with the passage of the 1964 Civil Rights Act was there a general awakening of interest in the demographic composition of an organization's membership. Specifically, Title VII prohibited employers from intentionally using race, skin color, age, gender, religious beliefs, or national origin as the basis for making decisions regarding employment, promotions, dismissals, and other job related issues (Hunt, 1984). Additional federal equal employment opportunity laws such as the 1967 Age Discrimination in Employment Act; the 1973 Vocational Rehabilitation Act; and, the 1972 Vietnam Era Veterans Readjustment Assistance Act have all served to further sensitize employers to the issue of workforce composition so as to protect themselves against charges of discrimination. In most cases the measurement of the race/ethnicity and gender mix of the organizational membership was necessitated by the Equal Employment Opportunity Commission and the need for affirmative action plans and goals.

It has been a more recent occurrence, since the 1980s that an interest in diversity has gone beyond the effort to demonstrate compliance to state and federal laws regarding discrimination. Interest in the concept began to shift from being a measure of integration in the workforce to an

interest in diversity as an important organizational characteristic linked to such organizational issues as member satisfaction (e.g., Verkuyten et al., 1994; Meglino et al., 1989), turnover (e.g., Jackson et al., 1991; Tsui et al., 1992), creativity (e.g., Watson et al., 1993; Bantel & Jackson, 1989), and productivity (e.g., Judge & Ferris, 1993; Ancona & Caldwell, 1992). As the researchers' interests in diversity heightened during this period, they began to utilize a much wider, more general, perspective of diversity consistent with the dictionary definition of diversity which is "the condition of being different...(or) an instance or a point of difference" (Mish, 1984).

The review of the management literature by Milliken and Martins (1996) demonstrates this expanded operationalization of the diversity concept. They identified twelve different dimensions of diversity. Included in their review were studies which focused on the traditional demographic measures of diversity: race/ethnic background, nationality, gender, and, age. Also reviewed were studies examining diversity in: personality and values, educational background, functional background, occupational background, industry experience, organizational membership, organizational tenure, and group tenure.

To organize their thinking about the different types of diversity, Milliken and Martins (1996) suggested a typology of diversity dimensions: "observable" and "less observable". Observable attributes of diversity include such characteristics as race, ethnic background, age, or gender. Less observable attributes include such attributes as education, technical abilities, functional background, tenure in the system, social economic background, and personality characteristics or values.

Milliken and Martins (1996) argued the distinction between "observable" and "less observable" diversity characteristics is useful because of the different group dynamics they evoke in an organizational setting. Observable, or visible, characteristics of diversity are particularly likely to stimulate responses that are the direct result of personal biases, prejudices, or stereotypes. These, of course, are important elements in the study of group dynamics. The less observable characteristics of diversity tend to influence a different set of group dynamics. Milliken and Martins argue that diversity in educational backgrounds, job experiences, and skills, for example, create different underlying schema, or conscious and unconscious preconceptions and beliefs, that organize one's thinking about a problem.

Harrison, Price, and Bell (1998), in reviewing the diversity literature, have suggested a similar typology for different measures of diversity. They posited a distinction between "surface-level diversity" and "deep-level diversity." The surface level was defined as "differences among group members in overt, biological characteristics that are typically reflected in physical features" (Harrison et al., 1998). This category includes much the same demographic variables that Milliken and Martins had categorized as observable (i.e., race/ethnicity, gender, and age). The deep-level characteristics of diversity, which they did not define, included such factors as attitudes, beliefs, and values (Harrison et al., 1998), somewhat different from Milliken and Martins "less observable" category.

Harrison et al. (1998) argued that past researchers' interest in the "surface-level" diversity characteristics was due to the widespread belief that these characteristics are reasonable, easily assessed proxies for underlying psychological characteristics, which are considerably more difficult

to assess. Perhaps, a rethinking of Harrison et al.'s classification scheme may help reconcile the difference between their typology and that of Milliken and Martins, as well as provide some consensus between the two models of classification of diversity dimensions.

### **A GENERAL TYPOLOGY FOR DIVERSITY**

This author suggests that the theme not fully expressed in the Harrison et al. method of classification of diversity is the ease of measurement of the variable itself. What Harrison et al. referred to as “surface-level” characteristics are those they describe as most easily measured and validated (i.e., race, gender and age). Variables they classified as “deep-level” are those less easily measured and validated (i.e., attitudes, beliefs, and values). Thus, their categorization scheme may be redefined as a single dimension (measurability) with two categories (easily measured and less easily measured).

If the Harrison et al. classification method can withstand the slight augmentation suggested here, then their measurability dimension can be integrated with the observability dimension of Milliken and Martins. In Figure 1 below on the horizontal axis Milliken and Martins’ “observability” dimension is divided into two categories: easily observable and less observable. The vertical axis represents Harrison et al.’s, “measurability” classification dimension, also divided into two categories: easily measurable and less easily measurable. The result is a four-cell classification scheme for diversity variables summarized in Figure 1 below.

Figure 1

## A Typology for Diversity Measures

		<b>Observability</b>	
		<b>readily obser.</b>	<b>less observable</b>
<b>Measurability</b>	<b>easily measured</b>	<b>Cell 1</b> <b>Race/Ethnicity</b> <b>Gender, Age</b>	<b>Cell 2</b> <b>Nat'l Origin</b> <b>Education</b> <b>Org. Membership</b>
	<b>less easily measured</b>	<b>Cell 3</b> <b>Task Behavior</b> <b>Enacted Roles</b> <b>Skills</b>	<b>Cell 4</b> <b>Values</b> <b>Attitudes</b> <b>Personality</b>

Cell 1 contains variables which are easily observable and easily measurable. The traditional measures of diversity such as race, gender, age, and physical disabilities, for example, lie within this cell. These factors are generally apparent from simple observation. They can also be readily measured in highly reliable and valid ways, typically with a simple survey form.

Cell 2 identifies variables which are less observable but easily measurable. Within this cell lie the variables religion, national origin, education, job-related experience, marital status, organizational membership, political affiliation, socio-economic status, and the like. These are aspects of diversity which are not readily apparent when first meeting an individual or a group. But, they are easily measured with a job application, a survey, or a poll, for example. Milliken and Martins, using their single dimension of observability, had also included personality characteristics and values within this set. The classification method suggested here places these very different variables into a separate category.

Cell 3 contains variables which are classified as easily observable and less easily measured. Included within this cell are the behavioral variables such as task-related behaviors, enacted roles within a group, and individual skills, for example. Whereas one can readily observe on-the-job behavior of others, it is not easy to obtain valid assessments of the quantity and quality of their work, the reliability of their work, or the variability of their level of effort, nor is it easy to assess quantitatively the different roles one fulfills within a task group or what behaviors are specifically

serving what role. Valid and reliable measures of these variables, as anyone involved in job performance evaluation knows, are difficult and time consuming to devise and administer.

Cell 3 represents a class of diversity variables which have not heretofore been considered in the diversity literature. However, the literature on “teams” contains a great deal of information on the concept of roles within a work group. An obvious analogy is that of a basketball team. A coach must assess each player’s special strengths and make them responsible for specific roles within the team. For example, there must be individuals assigned to the role as ball handler, the 3-point specialist, the power scorer, and the rebounder for a team to be successful. Everyone cannot perform all tasks; rather, individuals must perform certain tasks which are, ideally, consistent with their unique experiences and skills. Successful work groups must have persons to fulfill specialized roles based on their skills and preferences.

Cell 4 delineates variables which are less observable and less easily measured. Within this cell lie the diversity variables Harrison et al. have labeled “deep-level” diversity (i.e., attitudes, beliefs and values, as well as the personality characteristics and values which Milliken and Martins had simply labeled as “less observable”). These characteristics are not directly observable, although persons observe the behavior of others and, via an attribution process, make an inference as to what attitudes, values and personality characteristics an individual may possess. But, reliable and valid measures of these characteristics are difficult to create.

### Three Levels of Diversity

The value of the classification scheme discussed above and summarized in Figure 1 may be as a heuristic device to assist researchers and practitioners in their thinking about the impact diversity has upon the dynamics of a work group. For example, Cell 1, defines a set of diversity variables which are referred to here as Level I diversity variables. Level I variables are “**surface-level**” variables which pertain most directly to questions of equal opportunity, affirmative action, and equity within a system across various demographic or minority groups. Surface-level variables have not, however, been found to be useful in the study of predictors of work group outcomes. When this level of diversity variables is examined for relationships with such outcome variables as performance ratings, organizational commitment, or turnover, for example, the findings are inconsistent within and across those studies (Harrison et al., 1998, Pulakos et al., 1989).

Cells 2 and 3 contain many of the skill-based and role-set diversity variables which have been shown to be most closely related to such group processes and outcomes as group performance, turnover, and creativity (Milliken & Martins, 1996). These two cells comprise the variables which will be referred to here as Level II, “**working-level**” diversity variables, because they focus on the different types of skills, experiences, knowledge, and roles sets individuals bring to a work group.

Cell 4 contains those diversity variables that are characterized here as “**deep-level.**” Level III, which includes differences among members’ attitudes, beliefs, and values. Harrison et al. (1998) report finding few studies that have examined these diversity variables. Those which were reviewed demonstrated Level III diversity variables to be associated with group cohesiveness, performance, group processes, and turnover.

Comprehending the systemic nature of these three levels of diversity and their relationships to one another is essential to understanding the important dynamics of the impact of diversity on work group performance. Elsass and Graves (1997) have posited a general model of cognitive and behavioral processes which will help us to understand these dynamics. Drawing from social identity theory (Ashforth & Meal, 1989), Elsass and Graves explained how members of a newly formed group will categorize one another based on each individual’s salient features such as race, ethnicity, and/or gender (Level I diversity variables). The category to which one is assigned is based upon members’ prototypes of various racial, ethnic and/or gender groups (Lord & Foti, 1986) and is influenced by a number of different contextual factors. These contextual factors can include particular racial, ethnic or gender groups which are associated with certain tasks within an organization (Deaux & Major, 1987) job functions or levels linked to specific groups within an organization (Brewer & Miller, 1987; Wharton, 1992) or the relative smallness of the representation of a particular demographic group within an organization (Kanter, 1977; Taylor & Fiske, 1978; Wharton, 1992). The categorization process utilizing Level I diversity variables results in members of a group developing a set of role expectations for themselves and the other members of the group, status judgments (Level II diversity variables), and a set of judgments and attitudes towards an identifiable demographic group (Level III diversity variables). Thus, Elsass and Graves (1997) demonstrated how Level I variables influences a work group’s perceptions of the membership’s Level II and Level III diversity characteristics.

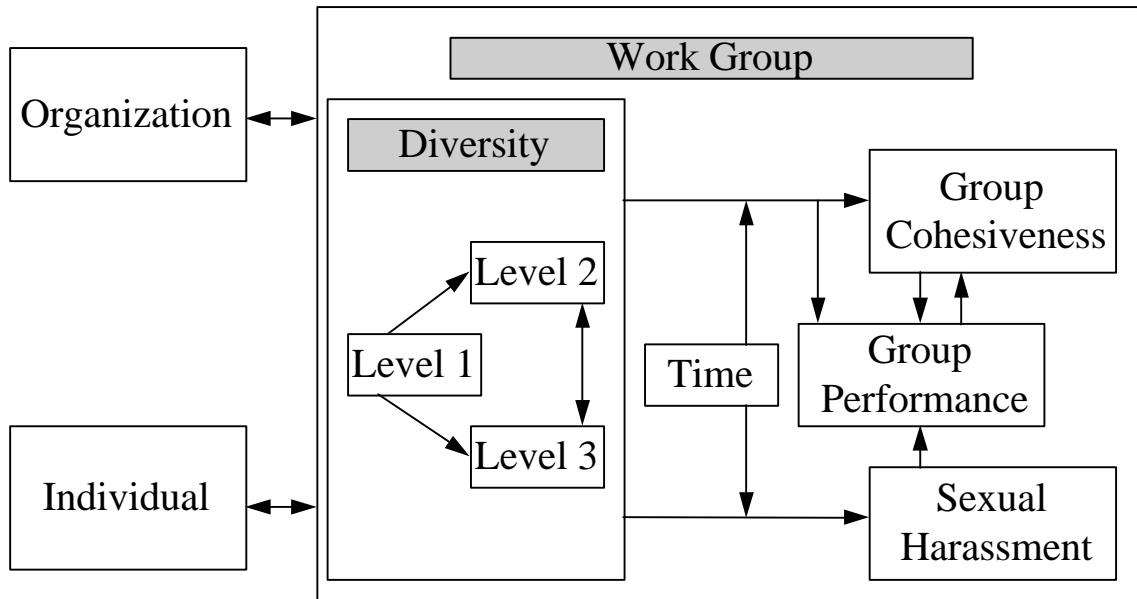
The interdependent nature of these diversity variables is also suggested in other social-psychological theories. Social role theory recognizes that different persons within a group may be expected to perform different roles based on their gender, for example (Eagly, 1987; Eagly, Makhijani, & Klonsky, 1992), thus linking Level I and Level II diversity variables. Additionally, as explained in Heider’s (1958) attribution theory, individuals construct either internal or external attributions from the observed behaviors of others. Heider points out that there is a natural tendency to make an internal attribution pertaining to the other’s attitudes, character, or personality based on observed behaviors (Heider, 1958; Jones, 1990). Thus, behavior patterns--those enacted, expected and perceived (Level II)--are linked to group members’ perceptions of others’ personal goals, personality, and attitudes (Level III).

### **A MODEL OF DIVERSITY, SEXUAL HARASSMENT, AND GROUP PERFORMANCE**

In the paragraphs below, the author will propose a simple model depicting the relationships among diversity, sexual harassment and group performance. The model suggested in Figure 2 below may be helpful in demonstrating and summarizing the central role that diversity plays in a number of important organizational issues such as individual satisfaction and commitment, work group performance, work group cohesiveness, and sexual harassment.

Figure 2

## Behavioral Model of Diversity, Sexual Harassment, and Performance



The focal point of the model presented in Figure 2 above is work group diversity. As explained earlier, diversity is conceived in three levels. The manner in which Level 1, surface-level diversity, can influence the working-level and deep diversity variables, was also explained above as was the cross-level influence between working-level diversity and deep-level. The model also suggests that diversity has an influence on work group cohesiveness, sexual harassment, the individual, and the organization. These relationships will be discussed in the paragraphs below.

### Diversity, Group Cohesiveness, and Time

The literature is consistent in demonstrating that diversity has a negative impact upon work group cohesiveness. Cohesiveness is defined as the degree to which group members are attached to each other and are motivated to stay in the group (Robbins, 1996). Milliken and Martins (1996) summarized their review of the literature by stating that the research suggests the more diverse a group is with respect to gender, race, or age (Level 1 diversity), the higher its turnover and the more likely it is that dissimilar individuals will be absent and leave the group (i.e., lower its cohesiveness). Byrne's (1971) similarity-attraction paradigm supports the proposition that Level 2

and 3 diversity variables also influence group cohesiveness. Specifically, Byrne posits that similarity with respect to opinions, personality traits, and social background characteristics tend to increase the degree of attraction between individuals. Terborg et al. (1976) found that attitudinal similarity (Level 3 diversity) was associated with higher group cohesiveness. Finally, Harrison et al. (1998) found variables representing surface-working and deep-level diversity to be significantly and negatively correlated with group cohesiveness.

Harrison et al. (1998) suggested that the negative impact that diversity has upon group cohesiveness is softened with the passage of time. Their argument is that when new members are introduced to a group it is the readily apparent differences (i.e., age, race and gender) that are used as the basis for inferring similarity in attitudes, beliefs, or personality. This position is supported by Tsui et al. (1992). Over time, as people acquire additional information through their interactions and observations, the initial assumptions which were based upon stereotypes are replaced by more accurate information pertaining to one another's beliefs and values. This results in a reduction of prejudice and conflict and greater cohesiveness (Harrison et al., 1998). Thus, Figure 2 above suggests that time moderates the relationship between diversity and cohesiveness.

### **Diversity and Group Performance**

Many studies demonstrate that Level 1 diversity has a negative impact upon factors generally associated with productivity such as member satisfaction, absenteeism, and turnover. Other diversity studies have shown benefits. For example, it has been demonstrated that the number of alternatives considered in decision-making tasks and the degree of cooperation within the group increases with diversity (Cox et al., 1991; McLeod & Lobel, 1992; Watson et al., 1993). Watson et al. (1993) demonstrated that these positive effects occurred only after the diverse group had been together for a period of time.

Some Level 2 diversity variables have also been linked in a positive fashion with some cognitive benefits in the decision-making process of groups. For example, Bantel & Jackson (1989) have linked diversity in educational background to increased innovativeness of a work group. Ancona and Caldwell (1992) have linked functional background to enhanced team performance. Whereas Level 3 diversity variables have been linked to issues pertaining to group cohesiveness (discussed below), which is linked to group performance, no studies were found demonstrating a direct relationship between values, attitudes, or personality diversity and group performance.

### **Diversity, Sexual Harassment, and Time**

While not examined in the diversity literature, the relationship between diversity and sexual harassment has been the subject of investigation in the sexual harassment literature for a long time. The socio-cultural models predict patterns of sexual harassment based on diversity of gender (Level 1) and power/status diversity (Level 2) between men and women (e.g., Farley, 1978). Or, the harassment is the result of a socialization process which creates sets of gender based role expectations (Level 2 diversity) that men are to act aggressively and women are to act submissively (e.g., Terpstra & Baker, 1986). Or, the harassment is the result of men and women perceiving harassing behaviors differently as the result of possessing different gender-based attitudes (Level 3)

towards women (e.g., Fitzgerald & Ormerod, 1991). In summary, the literature suggests that as diversity increases, the likelihood of sexual harassment tends to increase.

For the relationships among diversity, sexual harassment and time, the same logic could be applied as Harrison et al. applied to the relationships among diversity, cohesiveness, and time. The argument could apply here that as men and women look beyond the most readily observable differences and acquire more accurate information about one another's roles, status, beliefs, and values the result could be a weakening of the positive relationship between diversity and sexual harassment. Thus, Figure 2 above suggests that time moderates the relationship between diversity and sexual harassment as well as cohesiveness. Of course, this is an area in which specific empirical research could enlighten us greatly.

### **Group Cohesiveness, Sexual Harassment, and Group Performance**

The research on group cohesiveness and group performance has generally shown that highly cohesive groups are more effective than less cohesive groups (e.g., Greene, 1989). However, the relationship is somewhat more complex than it might seem. Cohesiveness is both a cause and a result of group success. The closeness of a highly cohesive group reduces internal tensions and provides a supportive environment for the attainment of the group's goals. The achievement of the group's goals in turn reinforces the closeness of the group. Problems pertaining to performance can, however, arise if the group's norms are not consistent with high performance (see Robbins, 1996) or if the group suffers from "groupthink" (Janis, 1973) brought on by a misdirected desire for maintaining high cohesiveness.

Sexual harassment has been demonstrated to have a significant impact on the level of performance of those individuals experiencing the harassment. Victims often experience both psychological and physical maladies from harassment resulting in sick leave, absenteeism, and turnover (e.g., Dansky & Kilpatrick, 1997). The financial impact of sexual harassment on an organization can also be significant. It has been reported that sexual harassment costs the typical firm \$6.7 million per year in reduced productivity, increase absenteeism, and employee turnover (Wagner, 1992).

### **Work Group Diversity, the Organization, and the Individual**

From a systems perspective one understands that the performance of the whole system depends, in part, on the performance of each of its subsystems. The degree of the impact that a particular work group has upon the whole organization depends upon the work group's centrality in the organization's workflow and the role the group plays in that workflow. The research of Ely (1994) suggests that the level of diversity of the senior level management team may be an important determinant of the acceptance of diversity throughout the lower levels of the organization. Milliken and Martins argued that when there is a lack of diversity at the top of an organization "not only does the organization lose possible cognitive benefits of having diversity in the membership of its management teams, but the organization may be systematically affecting the behavior of all members who observe the homogeneity at the top and react to it in ways that are detrimental to the achievement of organizational goals" (Milliken & Martins, 1996). Blau (1977) suggests that the

perception of diversity may be a relative phenomenon. The sensitivity of an individual to diversity may be a function of the level of diversity for the organization as a whole. In other words, the more heterogeneous or diverse an organization, the less likely diversity will be associated with problems within a work group of that organization.

With respect to the individual, the literature is consistent in suggesting that Level 1 diversity has a negative impact on such individual outcomes as job satisfaction, absenteeism, and turnover (e.g., Jackson et al., 1991; Tsui et al., 1992; Wagner et al., 1984). The same has been demonstrated to be true for Levels 2 and 3 diversity variables (e.g., Meglino et al. 1989; Cummings et al., 1993). Tsui et al. (1992) found that diversity has a greater negative impact on whites than it does on non-whites and a greater negative impact on men than it does on women.

## **CONCLUSION**

This paper has examined some important issues pertaining to the concept of diversity and understanding the impact of diversity on some important work-group, individual, and organizational outcomes. The most significant contribution this paper makes lies in the development of the typology for diversity variables and in the identification of the three levels of diversity: surface, working, and deep levels of diversity. Understanding the cross-level influence which these groups of diversity variables can have upon one another and the impact they have upon a number of other performance-related factors is crucial to the effective management of diversity within a system. Without proper management of diversity, its potentially negative consequences can and will outweigh the positive.

Future research might focus on testing various relationships posited in the behavioral model developed in this paper. While there is empirical support in the literature for the relationships delineated by the model, it has not been consistent. As these relationships become more clearly and accurately understood, more effective organizational strategies for leadership, total quality, human resource training, and communication within diverse groups may be developed. For effective management to take place, a precise understanding of organizational diversity is essential.

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